ES CON
Ideal to Real

October 27, 2026

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(Stock Code: 8892; TSE Prime Market)
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Notice of Execution of Syndicated Loan Agreement with Financial Covenants

ES-CON JAPAN Ltd. (Head Office: Minato-ku, Tokyo; President and Representative Director: Takatoshi Ito; hereinafter the "Company") hereby announces that at a meeting of its Board of Directors held today, it resolved to execute a syndicated loan agreement with financial covenants (hereinafter the "Agreement") for the purpose of raising funds related to the acquisition of shares in Kitahama Realty Co., Ltd. (formerly ARK REAL ESTATE Co., Ltd.; hereinafter the "Target Company") and other purposes, as outlined below.

The Target Company changed its trade name from "ARK REAL ESTATE Co., Ltd." to "Kitahama Realty Co., Ltd." on August 1, 2026.

1. Purpose of Executing the Agreement

As disclosed in the "Notice of Execution of Share Purchase Agreement Regarding the Acquisition of Shares in ARK REAL ESTATE Co., Ltd. (to Make it a Consolidated Subsidiary) Involving a Corporate Divestiture" dated March 19, 2026, the Company has been proceeding with procedures for the acquisition of shares in the Target Company.

The Company has entered into the Agreement for the purpose of appropriating funds for the acquisition of shares in the Target Company scheduled for October 30, 2026, as well as refinancing existing borrowings.

2. Details of the Agreement

(1) Loan format	Syndicated term loan
(2) Total loan amount	17.0 billion yen
(3) Agreement Date	October 27, 2026
(4) Drawdown date	October 30, 2026
(5) Maturity date	October 31, 2033
(6) Interest rate	JBA 1-month TIBOR + 0.60%
(7) Collateral	Establishment of provisional registration of mortgage on real estate owned by the Target Company corresponding to the loan
(8) Arranger	Sumitomo Mitsui Banking Corporation
(9) Joint Arranger	Mizuho Bank, Ltd.

3. Financial Covenants Attached to the Agreement

(1) The Company shall maintain the total amount of net assets recorded in the consolidated balance sheet as of the end of the fiscal year ending March 31, 2027, and as of the end of each subsequent fiscal year, at or above the higher of either 75% of the total amount of net assets recorded in the consolidated balance sheet as of the end of the fiscal year ended March 31, 2026, or 75% of the

total amount of net assets recorded in the consolidated balance sheet as of the end of the immediately preceding fiscal year.

(2) The Company shall not record an ordinary loss in the consolidated statements of income for two consecutive fiscal years, starting from the fiscal year ending March 31, 2027.

4. Outlook

The impact of this matter on the Company's consolidated financial results for the current fiscal year ending March 31, 2027, has already been factored into the full-year consolidated financial results forecast announced on April 24, 2026, and there is no change. Should any matters requiring disclosure arise in the future, the Company will promptly announce them.